

Testimony of Eric W. Gjede
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Before the Committee on Labor and Public Employees
Hartford, CT
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Testifying in Support of PHB-5701 An Act Concerning Monthly Reductions Of Unemployment Compensation

Good Afternoon Senator Osten, Representative Tercyak, and members of the Labor and Public Employees Committee. My name is Eric Gjede and I am assistant counsel at the Connecticut Business and Industry Association (CBIA) which represents more than 10,000 large and small companies throughout the state of Connecticut.

CBIA supports the intent of PHB-5701 because it would provide for a gradual reduction in unemployment compensation benefits during each month an individual is unemployed.

When you talk to employers in this state, you hear reports about how they offered a job to an individual, but the individual turned it down because "there is no sense taking a job until they were no longer receiving unemployment compensation benefits". Considering that during the height of the recent recession, an individual could have been eligible for up to 99 weeks of unemployment benefits, businesses have been paying for benefits to many people who could have re-entered the workforce but chose not to.

By gradually reducing the amount of benefits an individual on unemployment receives each month, we will encourage people to look for a new employment position immediately rather than wait until their benefits are exhausted. This proposal is beneficial to both businesses and their employees. It benefits employers by reducing the cost of supporting the unemployment compensation trust fund. A speedy return to the workforce also benefits employees who may otherwise wait so long to return that their job skills depreciate or lose their relevancy.

We urge the committee to support PHB-5701.